

MINUTES OF THE SAN JOSÉ FINANCING AUTHORITY

SAN JOSÉ, CALIFORNIA

TUESDAY, NOVEMBER 15, 2005

The Council of the City of San José convened in joint session at 5:09 p.m. with the San José Financing Authority, in City Council Chambers at City Hall.

Present: Council Members - Chavez, Chirco, Cortese, LeZotte, Nguyen, Pyle, Reed, Williams, Yeager; Gonzales.

Absent: Council Members - Campos. (Excused)

2.
 - (a) **Conduct a Public Hearing of the City Council concerning the approval of the City of San José Financing Authority's issuance of commercial paper and/or lease revenue bonds in order to finance certain public capital improvements of the City related to the Phase II improvements of the City's Central Service Yard and the demolition of structures and clean up at the City's Main Service Yard.**
 - (b) **Adoption of a resolution of the City Council approving and authorizing the execution of financing documents and authorizing other related actions in connection with the City of San José Financing Authority Lease Revenue Commercial Paper Notes Program to increase the not-to-exceed aggregate principal amount from \$98,000,000 to \$116,000,000 and to permit the issuance of commercial paper notes for the Central Service Yard Phase II Project and the demolition of structures and clean up at the City's Main Service Yard.**
 - (c) **Adoption of a resolution of the City of San José Financing Authority approving and authorizing the execution of financing documents and authorizing other related actions in connection with the City of San José Financing Authority Lease Revenue Commercial Paper Notes Program to increase the not-to-exceed aggregate principal amount from \$98,000,000 to \$116,000,000 and to permit the issuance of commercial paper notes for the Central Service Yard Phase II Project and the demolition of structures and clean up at the City's Main Service Yard.**

CEQA: Not a Project. (Finance)
(Deferred from 11/1/05 – SJFA #2)

2. (d) (1) **Adoption of a resolution by the City Council authorizing the City Manager to award a design-build construction contract for the Central Service Yard Phase II Project to the lowest responsive bidder, Hensel Phelps Construction Company, in the amount of \$24,419,000, and approval of a contingency in the amount of \$2,441,900.**
Resolution No. 72975 adopted.
Disqualified: Pyle.
- (2) **Adoption of a resolution by the City Council approving the Central Service Yard Phase II Project and incorporating environmental mitigation measures set forth in the Mitigation Monitoring and Reporting Program for the project.**
- (3) **Adoption of the following appropriation ordinance amendments in the Service Yards Construction and Conveyance Tax Fund:**
- (a) **Increase the appropriation to the General Services Department for the Central Service Yard Phase II Project by \$5,040,000.**
- (b) **Decrease the Ending Fund Balance by \$5,040,000.**
- CEQA: Mitigated Negative Declaration, File No. PP05-136. (Public Works/General Services/City Manager's Office)**

Documents Filed: (1) Supplemental memorandum from Director of Public Works Katy Allen, Interim Director of General Services Peter Jensen and Budget Director Larry Lisenbee, dated November 8, 2005, transmitting additional information and recommending adoption of resolutions, and appropriation ordinance amendments. (2) Memorandum from Deputy Director of Finance Julia Cooper, dated November 3, 2005, recommending conducting a public hearing, and adoption of resolutions. (3) Supplemental memorandum from Deputy Director of Finance Julia Cooper, dated November 8, 2005, transmitting additional information.

Mayor Gonzales opened the public hearing. There was no testimony from the floor.
Mayor Gonzales closed the public hearing.

City Attorney Richard Doyle stated that Council Member Pyle is a member of the Retired Teachers Association and would be abstaining from the vote.

Action: Upon motion by Vice Mayor Chavez, seconded by Council Member LeZotte and carried unanimously, Resolution No. 72974, entitled: "A Resolution of the Council of the City of San José Approving and Authorizing Execution of Certain Financing Documents and Certain Related Actions in Connection with the City of San José Financing Authority's Lease Revenue Commercial Paper Notes Program in Order to Increase the Not To Exceed Aggregate Principal Amount Thereof to \$116,000,000 and to Use the Proceeds Thereof for the Central Service Yard Phase II Project and the Demolition of Structures and Clean Up at the City's Main Service Yard"; San José Financing Authority Resolution No. 72, entitled: "A Resolution of the Council of the City of San José Financing Authority Approving and Authorizing the Execution of Certain Financing

2. (Cont'd.)

Documents and Certain Related Actions in Connection with the City of San José Financing Authority's Lease Revenue Commercial Paper Notes Program in Order to Increase the Not To Exceed Aggregate Principal Amount Thereof to \$116,000,000 and to Use the Proceeds Thereof for the Central Service Yard Phase II Project and the Demolition of Structures and Clean Up at the City's Main Service Yard"; Resolution No. 72975, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Award a Design Build Construction Contract for the Central Service Yard Phase II Project to the Lowest Response Bidder, Hensel Phelps Construction Company, in the Amount of \$24,419,000 and to Approve a Contingency in the Amount of \$2,441,900"; Resolution No. 72976, entitled: "A Resolution of the Council of the City of San José Approving the Central Service Yard Project, for Which an Initial Study/Mitigated Negative Declaration was Prepared in Accordance with the California Environmental Quality Act of 1970, and Adopting a Mitigation Monitoring and Reporting Program", and Ordinance No. 27605, entitled: "An Ordinance of the City of San José Amending Ordinance 27474 to Appropriate Monies in the Construction Tax and Property Conveyance Tax Fund for Service Yards Purposes for the Central Service Yard Phase II Design; and Providing that This Ordinance Shall Become Effective Immediately Upon Adoption", were adopted. (9-0-1-1. Disqualified: Pyle. Absent: Campos.)

The San José Financing Authority Meeting was adjourned at 5:11 p.m.

RON GONZALES, MAYOR

ATTEST:

LEE PRICE, CMC, CITY CLERK

smd/11-15-05 SJFA MIN

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